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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

STEM, INC.,
a Delaware Corporation,

Plaintiff,

vs.

SCOTTSDALE INSURANCE
COMPANY, an Ohio Corporation,

Defendant.

CASE NO. 3:20-cv-02950-CRB

**DECLARATION OF DAVID BUZBY IN
 SUPPORT OF PLAINTIFF'S MOTION
 FOR PARTIAL SUMMARY
 JUDGMENT REGARDING
 SCOTTSDALE'S DEFENSE
 OBLIGATION**

Date: April 29, 2021

Time: 10:00 a.m.

CTRM: 6

I, David Buzby, declare as follows:

1. I am a member of Stem, Inc.'s ("Stem's") board of directors. I have served as a member of Stem's board of directors continuously since April 2010. I submit this declaration in support of Stem's Motion for Partial Summary Judgment.

2. In November 2013, the Angeleno Group agreed to step in and serve as the lead investor in a "Series B Financing." However, the Angeleno Group insisted on a 100:1 pull forward exchange (the "Pull Forward Provision"), which is

1 common in venture capital financings, to incentivize other Stem investors to
2 participate in the Series B Financing.

3 3. The Pull Forward Provision worked as follows: if a Stem investor
4 participated in the Series B Financing at the threshold amount of 67% of their pro
5 rata ownership percentage, then that shareholder would receive 100 shares of Stem
6 stock in exchange for each one of their existing shares. If, on the other hand, a
7 shareholder chose not to participate in the Series B Financing at the threshold
8 level, then their interest in the company would be diluted.

9 4. On November 14, 2013, the Stem board of directors voted 3-0 in favor
10 of accepting the Series B Financing on the terms offered by the Angeleno Group,
11 including the required Pull Forward Provision.

12 I declare under penalty of perjury under the laws of the United States
13 of America that the above statements are true and correct.

14 DATED: March 25, 2021

DocuSigned by:
David Buzby
AF44896BFA554B1
David Buzby